



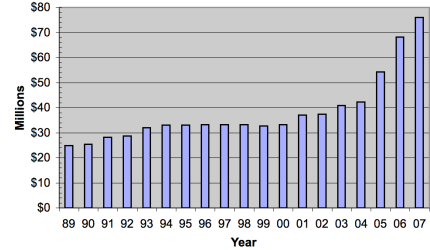
The Economic Impact of Preservation and Current Financial Incentives



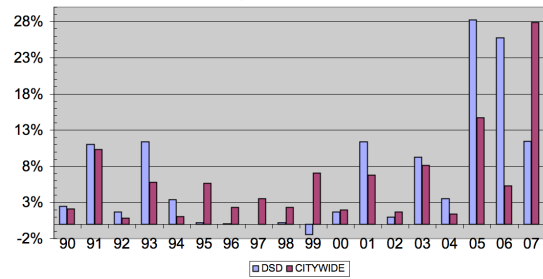
FRAZIER ASSOCIATES
213 N. Augusta Street
Staunton, Virginia



Growth in Assessed Value
Downtown Service District
1989 - 2007



PERCENTAGE GROWTH IN ASSESSED VALUE
1990-2007, DSD vs CITYWIDE



Buildings



- Historic Tax Credits
 - State
 - Federal
- Local Tax Abatement
- Enterprise Zones
- New Market Tax Credits
- CDBG



Historic Tax Credits – How to use them



- Large rehabilitation projects
- Must be on the National and State Landmarks Registers
- Meet qualifying expenditures
- All work must meet *The Secretary of the Interior's Standards for Rehabilitation*
- Complete a three-part application process
- See: http://www.dhr.virginia.gov/tax_credits/tax_credit.htm



Key Historic Tax Credit Issues



- Preserve CHARACTER DEFINING spaces and features on the INTERIOR and EXTERIOR
- Exterior elevations:
 - WINDOWS
 - MATERIALS
 - DOORS
 - STOREFRONTS
- Stair and Elevator additions
- Do not begin construction before the tax credit application is approved.



Before Beginning a Tax Credit Project



- Photograph the entire building - inside and out
- Review Secretary's Standards
- Submit Parts 1 and 2 of tax credit application
- Use knowledgeable designers and builders.



Local Tax Abatement



- 58.1-3219.4. Partial exemption for structures in redevelopment or conservation areas or rehabilitation districts.
- (i) new structures located in a redevelopment or conservation area or rehabilitation district or
- (ii) other improvements to real estate located in a redevelopment or conservation area or rehabilitation district.
- (i) an amount equal to the increase in assessed value or a percentage of such increase resulting from the construction
- (ii) an amount up to 50% of the cost of such construction or improvement, as determined by ordinance



Enterprise Zones



- http://www.dhcd.virginia.gov/CommunityDevelopment/Revitalization/Virginia_Enterprise_Zones.htm
- Job Creation Grants
- Real Property Investment Grants
- Local Incentives



New Market Tax Credits

- Permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs).
- Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities.
- Community must be in qualified census tract.



http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5



Everything Else!



- Transportation Enhancement Grants
(<http://www.virginiadot.org/business/prehanccegrants.asp>)
- VDOT Transportation Maintenance Funds, Revenue Sharing and the Six-Year Plan
- Preserve America Grants
<http://www.preserveamerica.gov/>
- Local/Regional Foundations
- CDBG and CIG Grants

Questions